

Our beliefs about
the next decade
of investing

Growth

- Our industry has been and will continue to be characterized by limited growth and an oversupply of providers. **Meaningful growth will be driven by market share gains.**
- Independent **Registered Investment Advisor (RIA) growth will continue to outpace other segments** due to brokers turning independent.
- **Growth in retail investor trading volumes will continue to be very modest** and will likely be coupled with strategic pricing pressure.

Serving clients

- Success will accrue to firms focused on **relationships and planning**, as opposed to those focused on elusive “outperformance.”
- Investment advice will increasingly come from a **mix of people and technology**.
- In certain asset classes, **new forms of indexing** are likely to supplant a significant share of the active investment management space.

Pricing

- Irrespective of any actions by the Department of Labor, **fee awareness and fiduciary expectations** will impact the products and services delivered to clients.
- **401(k) plan sponsors** will grow more **fee-conscious** and look for ways to deliver more **personalized advice** to their employees.

Competition

- Higher interest rates will make **price competition for self-directed investors and RIA custody services** more intense.
- **Scale will play an increasingly large role** in determining the “winners” as investors, RIAs, and 401(k) plans demand better and better value.
- **Brand loyalty is more transient** than ever. Today’s highly informed consumers are receptive to alternatives that are **more transparent, easier to use and offer greater value**.

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CC0453142 (1016-NCLC) MKT90744-01 (10/16)
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